

<i>SERFF Tracking Number:</i>	<i>FEMC-128120697</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Federated Mutual Insurance Company</i>	<i>State Tracking Number:</i>	
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>H16G Group Health - Major Medical</i>	<i>Sub-TOI:</i>	<i>H16G.003A Small Group Only - PPO</i>
<i>Product Name:</i>	<i>Group Health</i>		
<i>Project Name/Number:</i>	<i>2012 Group Rates-PPO/2012 Group Rates-PPO</i>		

## Filing at a Glance

Company: Federated Mutual Insurance Company

Product Name: Group Health

SERFF Tr Num: FEMC-128120697 State: Arkansas

TOI: H16G Group Health - Major Medical

SERFF Status: Closed-Approved-  
Closed State Tr Num:

Sub-TOI: H16G.003A Small Group Only - PPO Co Tr Num:

State Status: Approved-Closed

Filing Type: Rate

Reviewer(s): Rosalind Minor

Author: Janice Kautz

Disposition Date: 02/29/2012

Date Submitted: 02/27/2012

Disposition Status: Approved-  
Closed

Implementation Date Requested: 04/01/2012

Implementation Date:

State Filing Description:

## General Information

Project Name: 2012 Group Rates-PPO

Status of Filing in Domicile: Not Filed

Project Number: 2012 Group Rates-PPO

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments:

Explanation for Combination/Other:

Market Type: Group

Submission Type: New Submission

Group Market Size: Small

Group Market Type: Employer

Overall Rate Impact:

Filing Status Changed: 02/29/2012

State Status Changed: 02/29/2012

Deemer Date:

Created By: Janice Kautz

Submitted By: Janice Kautz

Corresponding Filing Tracking Number: FEMC-127740191

PPACA: Not PPACA-Related

PPACA Notes: null

Filing Description:

Federated is filing an addendum to the small employer group rate filing approved by your department on 10/25/2011 under SERFF tracking number FEMC-127740191. Federated is adding a PPO factor that will be used in Arkansas for the Cigna PPO.

## Company and Contact

### Filing Contact Information

SERFF Tracking Number: FEMC-128120697 State: Arkansas  
Filing Company: Federated Mutual Insurance Company State Tracking Number:  
Company Tracking Number:  
TOI: H16G Group Health - Major Medical Sub-TOI: H16G.003A Small Group Only - PPO  
Product Name: Group Health  
Project Name/Number: 2012 Group Rates-PPO/2012 Group Rates-PPO

Janice Kautz, Rating Specialist jbkautz@fedins.com  
121 East Park Square 800-533-0472 [Phone]  
Owatonna, MN 55060 507-455-5145 [FAX]

#### **Filing Company Information**

Federated Mutual Insurance Company	CoCode: 13935	State of Domicile: Minnesota
121 East Park Square	Group Code: 7	Company Type:
PO Box 328	Group Name:	State ID Number:
Owatonna, MN 55060	FEIN Number: 41-0417460	
(800) 533-0472 ext. [Phone]		

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## **Filing Fees**

Fee Required?	Yes
Fee Amount:	\$125.00
Retaliatory?	Yes
Fee Explanation:	MN rate filing fee is \$125
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Federated Mutual Insurance Company	\$125.00	02/27/2012	56655365

SERFF Tracking Number: FEMC-128120697 State: Arkansas

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TOI: H16G Group Health - Major Medical Sub-TOI: H16G.003A Small Group Only - PPO

Product Name: Group Health

Project Name/Number: 2012 Group Rates-PPO/2012 Group Rates-PPO

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	02/29/2012	02/29/2012

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	02/27/2012	02/27/2012	Janice Kautz	02/28/2012	02/28/2012

SERFF Tracking Number: FEMC-128120697 State: Arkansas

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TOI: H16G Group Health - Major Medical Sub-TOI: H16G.003A Small Group Only - PPO

Product Name: Group Health

Project Name/Number: 2012 Group Rates-PPO/2012 Group Rates-PPO

## Disposition

Disposition Date: 02/29/2012

Implementation Date:

Status: Approved-Closed

HHS Status: Not Reported

State Review: Reviewed by Actuary

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Federated Mutual Insurance Company	0.000%	0.000%	\$0	43	\$2,460,737	0.000%	0.000%
	Percent Change Approved:						
	Minimum:	%	Maximum:	%	Weighted Average:		%

SERFF Tracking Number: FEMC-128120697 State: Arkansas

Filing Company: Federated Mutual Insurance Company State Tracking Number:

Company Tracking Number:

TOI: H16G Group Health - Major Medical Sub-TOI: H16G.003A Small Group Only - PPO

Product Name: Group Health

Project Name/Number: 2012 Group Rates-PPO/2012 Group Rates-PPO

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Approved-Closed	Yes
Supporting Document	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	Rate Summary Worksheet	Approved-Closed	Yes
Supporting Document	Consumer Disclosure Form	Approved-Closed	Yes
Rate	PPO factors	Approved-Closed	Yes

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TOI: H16G Group Health - Major Medical Sub-TOI: H16G.003A Small Group Only - PPO  
Product Name: Group Health  
Project Name/Number: 2012 Group Rates-PPO/2012 Group Rates-PPO

## Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 02/27/2012

Submitted Date 02/27/2012

Respond By Date

Dear Janice Kautz,

This will acknowledge receipt of the captioned filing.

Objection 1

- PPO factors, [GH 03 11 (01-02 ed.), GH 03 11 (08-06 ed.), GH 03 10 (01-12 ed.)] (Rate)

Comment:

Please offer an explanation for "Savility" in Area C. I have not heard of the term Savility.

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

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TOI: H16G Group Health - Major Medical Sub-TOI: H16G.003A Small Group Only - PPO  
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## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 02/28/2012  
Submitted Date 02/28/2012

Dear Rosalind Minor,

### Comments:

Thank you for your prompt attention to Federated's filing.

### Response 1

Comments: Savility is a relatively new PPO. The full name is PHCS Savility and its parent company is MultiPlan, Inc, a nationwide network. At this time, Federated is the only insurer using the Savility network. We are offering it in certain areas on an experimental basis before expanding its availability.

### Related Objection 1

Applies To:

- PPO factors, [GH 03 11 (01-02 ed.), GH 03 11 (08-06 ed.), GH 03 10 (01-12 ed.)] (Rate)

Comment:

Please offer an explanation for "Savility" in Area C. I have not heard of the term Savility.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Thank you again for your consideration of the filing. If you need further information, please contact me.

Sincerely,  
Janice Kautz

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## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	SERFF
<b>Rate Change Type:</b>	Neutral
<b>Overall Percentage of Last Rate Revision:</b>	4.300%
<b>Effective Date of Last Rate Revision:</b>	01/01/2012
<b>Filing Method of Last Filing:</b>	SERFF

## Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Federated Mutual Insurance Company	Neutral	0.000%	0.000%	\$0	43	\$2,460,737	0.000%	0.000%
<b>Product Type:</b>	<b>HMO</b>	<b>PPO</b>	<b>EPO</b>	<b>POS</b>	<b>HSA</b>	<b>HDHP</b>	<b>FFS</b>	<b>Other</b>
<b>Covered Lives:</b>		379				42		
<b>Policy Holders:</b>		42				1		



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## Rate Review Details

### COMPANY:

Company Name:	Federated Mutual Insurance Company
HHS Issuer Id:	89365
Product Names:	Group Health
Trend Factors:	Not applicable - this filing contains no increase or decrease

### FORMS:

New Policy Forms:	GH 03 10 (01-12 ed.)
Affected Forms:	GH 03 11 (01-02 ed.), GH 03 11 (08-06 ed.)
Other Affected Forms:	

### REQUESTED RATE CHANGE

#### INFORMATION:

Change Period:	Annual
Member Months:	5,444
Benefit Change:	None
Percent Change Requested:	Min: 0.0 Max: 0.0 Avg: 0.0

#### PRIOR RATE:

Total Earned Premium:	2,154,310.00
Total Incurred Claims:	1,509,951.00
Annual \$:	Min: 97.20 Max: 1,527.95 Avg: 454.87

#### REQUESTED RATE:

Projected Earned Premium:	2,154,310.00
Projected Incurred Claims:	1,509,951.00
Annual \$:	Min: 97.20 Max: 1,527.95 Avg: 454.87

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## Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action: Action:*	Rate Action Information:	Attachments
Approved-Closed 02/29/2012	PPO factors	GH 03 11 (01-02 ed.), GH 03 11 (08-06 ed.), GH 03 10 (01-12 ed.)	Revised	Previous State Filing Number: Percent Rate Change Request:	50075 AR_Att A_PPO_201204.pdf

**Actuarial Memorandum**  
**Rate Filing for Federated Mutual Insurance Company**  
**State of Arkansas**  
**Policy Form #: GH 03 10 (01-12 ed.)**  
**Certificate Form #: GH 03 11 (08-06 ed.)**  
**Certificate Form #: GH 03 11 (01-02 ed.)**

**Table A-7: PPO Factor:**

PPO	Factor
Cigna in All Areas	0.850
Savility in Area C	0.975
All other PPO/Area combinations	1.000

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## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status</b>
		<b>Date:</b>
<b>Bypassed - Item:</b> Flesch Certification	Approved-Closed	02/29/2012
<b>Bypass Reason:</b> sent with original group rate filing		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status</b>
		<b>Date:</b>
<b>Satisfied - Item:</b> Health - Actuarial Justification	Approved-Closed	02/29/2012
<b>Comments:</b>		
<b>Attachment:</b>		
Actuarial Memorandum_AR PPO_201204_signed.pdf		

	<b>Item Status:</b>	<b>Status</b>
		<b>Date:</b>
<b>Bypassed - Item:</b> Rate Summary Worksheet	Approved-Closed	02/29/2012
<b>Bypass Reason:</b> sent with original group rate filing		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status</b>
		<b>Date:</b>
<b>Bypassed - Item:</b> Consumer Disclosure Form	Approved-Closed	02/29/2012
<b>Bypass Reason:</b> sent with original group rate filing		
<b>Comments:</b>		